INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

No. 651 | Washington, D. C. | May 29, 1937

NEW HOUR AND WAGE LEGISLATION INTRODUCED

Bills Put in Immediately Following Message from President—Hearing Scheduled

I. THE PRESIDENT'S MESSAGE

On May 24, 1937, President Roosevelt sent to Congress a message requesting the enactment of new hour and wage legislation. He asked that the new law be predicated on the power of Congress to exclude from interstate commerce the product of child labor or goods manufactured under oppressive labor conditions. The message apparently recognized the necessity for establishing different wage and hour standards in different regions and industries. The President stated that

". . . to protect the fundamental interests of free labor and a free people we propose that only goods which have been produced under conditions which meet the minimum standards of free labor shall be admitted to interstate commerce. Goods produced under conditions which do not meet rudimentary standards of decency should be regarded as contraband and ought not to be allowed to pollute the channels of interstate trade.

"These rudimentary standards will of necessity at the start fall far short of the ideal. Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations.

"Practical exigencies suggest the wisdom of distinguishing labor conditions which are clearly oppressive from those which are not as fair or as reasonable as they should be under circumstances prevailing in particular industries. Most fair labor standards as a practical matter require some differentiation between different industries and localities. But there are a few rudimentary standards of which we may properly ask general and widespread observance. Failure to observe them must be regarded as socially and economically oppressive and unwarranted under almost any circumstance.

"Allowing for a few exceptional trades and permitting longer hours on the payment of time and a half for overtime, it should not be difficult to define a general maximum working week. Allowing for appropriate qualifications and general classifications by administrative action, it should also be possible to put some floor below which the wage ought not to fall. There should be no difficulty in ruling out the products of the labor of children from any fair market. And there should also be little dispute when it comes to ruling out of the interstate markets products of employers who deny to their workers the right of self-organization and collective bargaining, whether through the fear of labor spies, the bait of company unions, or the use of strikebreakers. The abuses disclosed by the investigations of the Senate must be promptly curbed.

"With the establishment of these rudimentary standards as a base we must seek to build up, through appropriate administrative machinery, minimum wage standards of fairness and reasonableness, industry by industry, having due regard to local and geographical diversities and to the effect of unfair labor conditions upon competition in interstate trade and upon the maintenance of industrial peace."

II. THE PROPOSED LAW

On the same day, Mr. Connery introduced in the House H. R. 7200, the Administration Bill, and Senator Black introduced a companion measure, S. 2475. Although there are minor variations in language, these two bills are substantially the same.

They provide for the creation of a Labor Standards Board, of five members, together with a necessary staff. The Board may also utilize the services of employees in other Federal Departments, in State agencies, or voluntary services. The statute itself does not provide for any regulations to be

(Continued on page 5263)

SOCIAL SECURITY DECISIONS

Review of Opinions Which Establish Validity of Both National and State Laws

The permanency of Social Security legislation as part of our national political economy was definitely established on May 24, 1937, when the Supreme Court rendered three sweeping decisions upholding the constitutionality of the Federal Old-Age Benefits and Unemployment Compensation programs, and the Alabama Unemployment Compensation Act. Whatever may have been the prior views of lawyers these decisions remove all doubt of the power of Congress to deal with unemployment and old-age dependency as matters involving the general welfare of the nation as a whole. In addition, the validity of State unemployment compensation statutes was conclusively settled. Accordingly, the permanent existence of legislation of this character with its accompanying payroll taxes seems assured, and must be considered by canners in determining future business policies.

Speaking of the national character of the problems created by widespread unemployment, Mr. Justice Cardozo, delivering the majority opinion sustaining the Unemployment Compensation taxes of Title IX of the Federal Act, said:

"During the years 1929 to 1936, when the country was passing through a cyclical depression, the number of unemployed mounted to unprecedented heights. Often the average was more than 10 million; at times a peak was attained of 16 million or more. Disaster to the breadwinner meant

disaster to dependents. Accordingly the roll of the unemployed, itself formidable enough, was only a partial roll of the destitute or needy. The fact developed quickly that the states were unable to give the requisite relief. The problem had become national in area and dimensions. There was need of help from the nation if the people were not to starve. It is too late today for the argument to be heard with tolerance that in a crisis so extreme the use of the moneys of the nation to relieve the unemployed and their dependents is a use for any purpose narrower than the promotion of the general welfare."

In his opinion upholding the Old-Age Benefits taxes of Title VIII, Mr. Justice Cardozo again emphasized the national character of the problems:

"The purge of nation-wide calamity that began in 1929 has taught us many lessons. Not the least is the solidarity of interests that may once have seemed to be divided. Unemployment spreads from state to state, the hinterland now settled that in pioneer days gave an avenue of escape. * * * Spreading from state to state, unemployment is an ill not particular but general, which may be checked, if Congress so determines, by the resources of the nation. * * * But the ill is all one or at least not greatly different whether men are thrown out of work because there is no longer work to do or because the disabilities of age make them incapable of doing it. Rescue becomes necessary irrespective of the cause. The hope behind this statute is to save men and women from the rigors of the poor house as well as from the haunting fear that such a lot awaits them when journey's end is near."

The national character of the problem having been established the majority of the Court experienced little difficulty in holding the various provisions of the Federal Act to be a valid exercise of the taxing power of Congress. It had been established in the *Hoosac Mills* case (which invalidated the Agricultural Adjustment Act) that Congress has power to appropriate and spend its revenues to promote the general welfare of the nation as a whole, and the system of Old-Age Benefits set up by Title II was declared to be a valid exercise of this power. Since it could not be said that the revenues derived from the Old-Age Benefit taxes of Title VIII were to be used for an unlawful purpose, seven of the members of the Court thought those taxes to be constitutional. Only Mr. Justice McReynolds and Mr. Justice Butler dissented.

Since the Federal government does not appropriate any money to pay Unemployment Compensation benefits, the constitutionality of the taxes on employers of eight or more levied by Title IX involved a somewhat different problem. It was urged that the provisions allowing a 90 per cent credit to employers contributing to state statutes which meet the minimum standards dictated by the Federal Act, coerced the states into enacting statutes and constituted an invasion and usurpation of their sovereign powers. In view of the national character of the problem the majority of the Court found no constitutional objection to these provisions allowing the 90 per cent credit. There is no coercion upon the states to adopt statutes, and they may do so or not in the exercise of their own discretion. When a state does adopt a statute and thus relieves the Federal government of a portion of its burden in mitigating the national evil, it is only reasonable to grant a corresponding relief from taxes to employers supporting the local venture. Double taxation is contrary to the policy of the law. The requirement of minimum standards is merely an assurance that the assistance of the State in dealing with the problem is bona fide and reasonably calculated to succeed. Accordingly, the taxes levied by Title IX were declared constitutional. Four members of the Court, Mr. Justices Sutherland, Van Devanter, McReynolds, and Butler dissented from this holding.

In the case of both the Old-Age Benefit and the Unemployment Compensation portions of the Federal Act the contention was made that the exemptions of agricultural labor, domestic workers, marine labor, etc., constituted an unlawful discrimination in favor of employers of the exempt laborers and against those not exempt. In addition, it was argued that the provisions of Title IX taxing only those employers of eight or more discriminated in favor of employers of less than eight. These contentions the Court rejected by pointing out that administrative considerations and the inherent impracticability of applying the taxes to small employers and the excluded classes afforded a reasonable basis for the distinction. It was further urged that the employment relationship was an inalienable right which could not be subjected to taxation, and that the taxes were not in reality excise taxes. These contentions were also denied.

The constitutionality of the Alabama Unemployment Compensation statute was sustained in a 5-4 decision, Mr. Justices Sutherland, Van Devanter, McReynolds and Butler again dissenting. The Court again found that the exemption of agricultural labor and other classes, and the application of the tax only to employers of eight or more did not constitute an unconstitutional discrimination. It rejected a contention that the Act was not a proper exercise of the taxing power of the State. It found that the relief of unemployment was a proper public purpose for which the revenues from taxation could be expended. The principal objection to the validity of the Alabama Act was predicated upon the nature of the *pooled fund* which it established. All the revenues from the Alabama taxes are placed in one fund to be used to pay benefits to all eligible workers. It was argued that this was an unconstitutional deprivation of the taxpayer's property in that it required him to pay taxes which were to be used to pay benefits to the employees of another. The Court found no merit in this argument. The tax is in itself a valid one, and its purpose—the relief of unployment—is proper. This being true, there is no constitutional requirement that taxes be imposed only on those who are benefited by the expenditure of the revenues thus derived. A general tax on all employers may be used to relieve unemployment wherever it exists.

This decision upholding the Alabama statute in effect determines the constitutionality of practically all State unemployment compensation laws. In view of the holding as to the validity of the pooled fund, there can be no doubt of the propriety of separate employer reserve accounts such as are found in some statutes, notably Wisconsin. Indeed, even the dissenting opinion expressly conceded the validity of that type of law.

The Court refused to pass on the constitutionality of the employees' taxes levied under the Alabama Act and Title VIII of the Federal Act, since the employers had no right to question these.

NEW HOUR AND WAGE LEGISLATION INTRODUCED

(Continued from page 5261)

automatically in effect, and no provision of the law or order or regulation affects any industry until the Labor Standards Board, after hearing, makes it applicable by its order. No such order can be effective until after four months (120 days) from the date the law is approved by the President. Thus, if enacted by July 1, 1937, no regulation can be effective until October 28, 1937. Hearings on the bill will begin on Tuesday, June 1, 1937.

1. Types of Regulation Authorized

The Labor Standards Board is authorized to issue three general types of regulation: (1) those prohibiting oppressive wage and hour standards; (2) those providing minimum fair wages and maximum reasonable work weeks; and (3) those prohibiting substandard labor conditions because of employment of child labor, strikebreakers, or labor spies.

(1) *Oppressive wage and hour standards.* The bill provides that there shall be specified an "oppressive wage", which is to mean a wage lower than a specified number of cents per hour. The precise amount is to be determined in Congressional debate. This minimum is to be the "rudimentary standard" to which the Presidential message refers. The Board is directed as rapidly as possible to determine the employments in which an "oppressive wage", as so defined, exists and to order that the provisions of the law be made applicable to such industries. This is to be done as rapidly as can be "without unreasonably curtailing opportunities for employment".

In similar fashion, the law will specify the meaning of an "oppressive work week" as being a week longer than a maximum number of hours to be determined by Congress. The Board is to determine in which industries such an oppressive work week prevails and to extend the application of the maximum week provision to such industries just as fast as it can "without unreasonably curtailing the earning power of the employees in such employment".

Having made the minimum non-oppressive wage and the maximum non-oppressive work week applicable to particular industries, the Board is authorized thereafter to vary such standards upward or downward wherever necessary to prevent the depression of general wage levels, or to provide for the physical and economic health, efficiency and well-being of the employees, or to take care of the number of persons available for employment in a particular industry.

In short, this part of the law provides for the establishment *by Congress* of a minimum hourly wage and maximum week, authorizes the Board to make these standards apply to any industry where it finds lower wages or longer hours, and authorizes the Board thereafter to modify such standards when necessary or appropriate.

(2) *Minimum fair wages and maximum reasonable work weeks.* In addition to and wholly apart from the power to make the Congressional provision for minimum wages and maximum hours applicable to particular industries, the Board is further authorized to establish minimum fair wages and maximum reasonable work weeks for any employees where it believes that

> "owing to the inadequacy or ineffectiveness of facilities for collective bargaining, wages lower than a minimum fair wage are paid to employees (or hours of employment longer than a maximum reasonable work week are maintained)".

After investigation, the Board is to establish the minimum fair wages and maximum reasonable work week on the basis of the cost of living, the value of the services rendered, comparable wage and hour agreements obtained by collective bargaining in the same industry, and hours and wages paid by other employers. The Board is limited in these provisions and cannot establish a minimum fair wage which (without overtime) will yield an annual income in excess of $1,200 or an hourly wage rate in excess of 80 cents. Likewise, it cannot establish a maximum reasonable work week of less than a specified number of hours to be determined by Congress. In short, under this second grant of powers, the Board may, whenever it believes that collective bargaining is not operative in a particular industry, establish reasonable fair wages and reasonable maximum weekly hours between the minimum provided in the statute and a maximum to be determined by Congress. Wages and hours below those established are deemed "substandard".

Both in making the minimum provisions of the statute relating to oppressive hours and wages applicable to a particular industry, and in establishing reasonable fair wages and maximum hours above those standards in particular industries, the Board is authorized to provide exemptions. In the first place, it can determine that the regulations shall not apply to employers employing less than a given number of employees, which number is to be determined by Congress. Next, it may provide that employees may work longer than the oppressive or substandard work week if they receive overtime of one and a half times the regular hourly rate. This is not mandatory but may, if the Board so desires, be permitted. Finally, it may permit employment at less than the oppressive or minimum reasonable wage if it finds that the special character or term of employment justifies such exemption. In permitting such exemptions, it is authorized to provide for

> "(3) deductions for board, lodging, and other facilities furnished by the employer if the nature of the work is such that the employer is obliged to furnish and the employee to accept such facilities; (4) *overtime employment in periods of seasonal or peak activity* or in maintenance, repair, or other emergency work *and the wage rates to be paid for such overtime employment;* and (5) suitable treatment of other cases or classes of cases which, because of the nature and character of the employment, justify special treatment."

(3) *Oppressive child labor and oppressive labor practices.* The Board is also authorized to extend to any industry the provisions of the law prohibiting oppressive child labor and oppressive labor practices. Oppressive child labor is defined to mean the employment of any child under the age of 16 or any child between 16 and 18 years in any occupation which the Children's Bureau of the Department of Labor declares to be hazardous or detrimental to the health or well-being of children. Oppressive labor practice means the employment of any strikebreakers, as that term

is defined in the statute, or the employment of any person to engage in espionage over any employee or his family regarding union affiliation or the political or economic views or activities of such employee.

2. Industries To Which Applicable

The orders of the Board applying the provisions of the statute are applicable to any industry, trade or business in interstate commerce, or in the production of goods for interstate commerce, or which otherwise directly affects interstate commerce. The fair labor standards are specifically to be put into effect for employees engaged in interstate commerce or engaged in the production of goods "which are sold or shipped to a substantial extent in interstate commerce". In addition, if the Board finds that the promulgation of a standard for any industry in interstate commerce or manufacturing goods to be shipped in interstate commerce causes a discrimination between employers in such industry and employers in intrastate commerce, the Board may apply the labor standards to any employer or employers who benefit as a result of the discrimination. Additional provisions permit the Board to apply the labor standards even to purely intrastate production where such intrastate production competes adversely with goods shipped interstate. Similarly, the Board may bring up the standards applicable to interstate production if such interstate production competes unfairly with intrastate production under higher standards.

Whenever the Board determines that a substandard labor condition exists to a substantial extent in any industry, it may make an order requiring the elimination of such substandard labor condition. (It will be recalled that the term "substandard labor condition" includes the oppressive or reasonable minimum wage and the oppressive or reasonable maximum hour provisions as well as oppressive child labor employment or oppressive labor practices.) It may enter such order wherever it finds that the maintenance of the substandard labor condition burdens or obstructs interstate commerce or affects the movement of goods in interstate commerce or is maintained by an employer or class of employers with the intent to affect the movement of goods or services in interstate commerce. Wherever the Board finds that the substandard labor conditions exist, and have any effect on interstate commerce, the facts so found are to be prima facie evidence of intent.

Orders may be issued only after hearings, and such orders must carefully define the occupations, the territorial limits, etc. The Board may classify employers and employees as well as occupations according to localities, population, number of employees, volume of production, and any other differentiating circumstances it thinks appropriate. It may impose any further conditions to prevent the established minimum wage from becoming the maximum, to prevent discharge or reduction in wages of employees above the minimum, but the Act provides that

> "it shall be the policy of the Board to establish such minimum-wage standards as will affect only those employees in need of legislative protection without interfering with the voluntary establishment of appropriate differentials and higher standards for other employees in the occupation to which such standards relate".

Before making orders applicable to entire industries establishing minimum fair wages or maximum reasonable work weeks, the Board may appoint an Advisory Committee, composed equally of employers and employees, with three public representatives, to make an investigation and advise the Board. Members of these committees are to be paid on a daily basis and the committee must report within sixty days. In addition, the Board is given wide powers to issue regulations, to make its own investigations, to issue subpoenas, to secure payroll information, etc. It can require employers to keep payroll records and to permit them to be copied. Its orders must be posted by employers. Finally, where necessary, the Board may require packages or containers to be plainly and clearly labeled with some insignia indicating that they were produced under standard labor conditions.

3. Prohibitions and Enforcement

(a) *Unfair goods barred from interstate commerce.* It is made unlawful for any person to transport or cause to be transported in interstate commerce, or to aid or assist in transporting, or to sell for shipment in interstate commerce, or with knowledge that shipment in interstate commerce is intended, "any unfair goods". "Unfair goods" means goods produced under substandard labor conditions, i. e., not in compliance with any order of the Board. If any employee is employed under any substandard labor condition within ninety days prior to removal of the goods, such employment shall be prima facie evidence that the goods were produced by such employee under the substandard labor conditions.

It is likewise made unlawful for any person to ship in interstate commerce into a State, for sale in that State, any goods produced in violation of the labor standards or practices prescribed by the law of the State to which shipped.

Finally, it is made unlawful for any person to employ under any substandard labor condition any employee engaged in interstate commerce or in the production of goods intended for transportation or sale in interstate commerce.

(b) *Criminal penalties.* Violation of the Act is a misdemeanor punishable by a $500 fine or imprisonment for six months or both. The employment of each employee in violation of the Act is made a separate offense, but no person is to be imprisoned except for an offense committed after a prior conviction for violation of the Act. It is likewise made a misdemeanor to keep false records, to refuse to furnish such records to the Board, or to make false reports. The discharge of any employee because he files a complaint under the Act or testifies or serves on an advisory committee is punishable by a fine of $1,000 or imprisonment for one year or both. Failure to comply with a subpoena is likewise punishable.

(c) *Injunction proceedings.* Apart from the criminal penalties, the Board is authorized to bring injunction proceedings to enjoin any person engaged in violating the Act or about to violate the statute or any order of the Board. Failure to obey such injunction, of course, will involve punishment for contempt.

Supplementary enforcement provisions provide that employees paid less than the minimum wage required to be paid by the Act or any order are entitled to reparation. Similarly, employees who are made to work longer than the maximum work week are entitled to reparation for addi-

tional compensation at the rate of time and a half. If goods produced under substandard labor conditions are sold in interstate commerce in violation of the law, every employee employed in the production of such goods shall be entitled to similar reparation unless the employer can prove that he had no knowledge or reasonable ground to believe that the goods would be sold or transported in interstate commerce. Employees entitled to such reparation may bring civil suit for the amount involved, together with costs and reasonable attorney's fees. These claims may not be assigned except to the Board itself, which may take an assignment and bring legal action as trustee for a group of employees.

If the owner of goods produced in violation of the statute or orders under it is not the actual producer and had no reason to believe that the goods were so produced in violation of the law, the Board may exempt such goods from the operation of the Act and permit them to be shipped in interstate commerce. If the producer still has the goods and makes reparation, the Board may also permit such goods to be shipped.

4. Court Review

Any order of the Board extending the provisions of the Act to any industry or employer may be reviewed in a Circuit Court of Appeals within sixty days after it is issued. The procedure is that usually provided for review of orders of administrative agencies, and findings of fact by the Board when supported by evidence shall be conclusive unless arbitrary or capricious. The taking of an appeal will not operate as a stay of the Board's order, but the Court may grant such a stay if the employer puts up a bond for the payment of the additional wages or compensation for additional hours.

Criminal proceedings under the statute may be brought in the district where the violation occurred. Injunction suits may be brought wherever the employer resides or transacts business. Apart from criminal actions by the United States and injunction proceedings by the Board, the appeal to the Circuit Court of Appeals from an order of the Board is made the exclusive method for reviewing the action of the Board. In the event of any change in orders or regulations, it is provided that no one shall be liable for any act done in good faith in conformity with any existing regulation or order of the Board.

ACREAGE OF PEAS FOR CANNING

Preliminary Government Estimate Shows About 1 Per Cent Increase Over 1936

The acreage planted to green peas for manufacture in 1937 is estimated by the Bureau of Agricultural Economics at 340,420 acres compared with 337,050 acres planted in 1936. This preliminary estimate of planted acreage, which is based on canners' reports to the Bureau, indicates an acreage nearly as large as the record planted acreage of 1935 (341,360 acres). The estimate of acreage planted in 1934 was 280,390 acres; 1933, 228,300 acres, and 1932, 207,750 acres.

The tendency to increase plantings is most pronounced in the Northwest. The estimated total acreage planted in these two States in 1937 is 46,200 acres, which is nearly 19 per cent above the 1936 planted acreage. This includes acreage for both cold pack and canning. Practically all other important States show some increases, which are more than offset by a 10 per cent acreage decrease in Wisconsin.

State	Planted Acreage		Acreage Planted or to be Planted	
	1935	1936	As % of 1936	Indicated plantings
	Acres	*Acres*	*Per cent*	*Acres*
Maine	2,520	2,250	129	2,900
New York	36,000	39,600	101	40,000
Pennsylvania	4,850	4,850	124	6,000
Ohio	5,000	4,200	112	4,700
Indiana	8,000	8,000	104	8,300
Illinois	20,000	18,600	100	18,600
Michigan	15,000	15,300	99	15,200
Wisconsin	133,300	120,000	90	108,000
Minnesota	24,000	22,800	109	24,800
Delaware	3,400	2,800	121	3,400
Maryland	18,500	18,000	101	18,200
Virginia	5,200	5,700	104	5,900
Montana	2,800	2,520	107	2,700
Colorado	4,210	4,190	103	4,300
Utah	13,600	13,300	110	14,600
Washington	16,000	22,000	124	27,200
Oregon	9,300	17,000	112	19,000
Other States [a]	19,680	15,940	104	16,620
Total	341,360	337,050	101.0	340,420

[a] "Other States" include Arkansas, California, Idaho, Iowa, Kansas, Nebraska, New Jersey, Oklahoma, Tennessee, Texas, and Wyoming.

CANNING CROP CONDITIONS

Situation Up to Middle of May Reviewed by Bureau of Agricultural Economics

The following summaries on truck crops for commercial manufacture were compiled from canners' reports to the Bureau of Agricultural Economics. These summaries are meant to show, in a general way, progress of planting, soil and weather conditions and, in a few areas, the present state of growth. The reports refer to May 15, with no allowance for growing conditions since that date.

MAINE—NEW ENGLAND STATES.—Weather conditions are moderately favorable for farm work. Soil moisture is generally ample with an excessive accumulation in a few limited areas in Maine following local showers. Farmers are about ready to plant green peas for canners. Additional sunshine and warmer weather would be helpful, especially in carrying on preparation and planting other canning crops.

NEW YORK—PENNSYLVANIA—NEW JERSEY.—Temperatures have been moderate during the daytime but nights continue cool. Rainfall is above normal and has seriously hampered farmers, especially in New York State. Their operations have been retarded two or three weeks. Planting of green peas for canning is progressing intermittently, with poor germination on some of the early sowings. Possible utilization of some acreage contracted for green peas for other canning crops, is reported. The situation in Pennsylvania is more favorable. Canning peas are planted and germination is generally good. Planting of snap beans is in progress under favorable conditions and some growers are planting sweet corn. Some sweet corn from early

planted acreage in southern New Jersey is through the ground.

DELAWARE—MARYLAND—VIRGINIA.—Additional rains are needed to maintain soil moisture adequate for normal growth. Canning peas are blooming but vines are short. Infestation by aphis is reported and threatens the crop, especially in the southern end of Eastern Shore. Planting of snap beans for canning has been delayed somewhat on account of cool weather but seed on early patches has germinated well. Growers are in no hurry to plant sweet corn acreage until the weather turns warmer.

OHIO—INDIANA.—Considerable field work has been accomplished despite rains and growers of canning crops are not seriously behind schedule with planting operations. Canning peas planted early in south central Ohio and central Indiana are growing under favorable conditions. Limited areas in western Ohio have been adversely affected by heavy showers. Planting of sweet corn in both States is retarded by cool weather. Sunshine and higher temperatures are needed to warm the soil. Planting of snap beans is under way in Indiana.

ILLINOIS—MICHIGAN—WISCONSIN.—Subnormal temperatures in the Lake region have occurred. Light frosts were reported from some northern points in this group of States. Rainfall has been variable but generally soil moisture is ample. Warmer weather is needed. Planting green peas in each State is in progress or nearing completion. Some seed planted early, especially in central Wisconsin, has germinated slowly or decayed in the ground on account of subsequent heavy rains and cool temperatures. Some early planted seed is through the ground. Growers are beginning to plant sweet corn in north central Illinois and the lower peninsula of Michigan. Warmer weather is needed preparatory to planting snap beans.

IOWA—MINNESOTA—NEBRASKA.—Temperatures are slightly below average but growers have continued with seasonal farm operations. Soil is adequately supplied with moisture and warmer weather is now needed. Planting of green peas is completed and germination good. Frosts in southern Minnesota near mid-May did slight damage to a few early fields. Planting of sweet corn in each State is progressing about on schedule, and under moderately favorable conditions.

ARKANSAS—MISSOURI.—Cool, cloudy weather is retarding progress of canning crops in the Ozark region. Farmlands are amply supplied with moisture, and late plantings of snap beans and other crops for canning are being put into the fields under favorable conditions. Condition of early planted acreage is variable—seed has germinated well for some growers, and others report appearance of crop rather poor.

MISSISSIPPI—SOUTH CAROLINA—TENNESSEE.—Condition of snap beans for canning is fair. The soil is amply supplied with moisture, but sunshine and warmer weather needed. Preparation of land for other canning crops is in progress. Green peas in Tennessee have germinated well.

COLORADO—MONTANA—UTAH.—Canning crops are growing under generally favorable conditions in Rocky Mountain States. Germination of canning peas has been good. Some lands in Utah are being irrigated and peas are nearing the blooming period. In Colorado and Montana, the crop is not as far advanced. Planting of snap beans in Colorado and Utah is progressing. Early fields are being prepared for limited acreages of sweet corn.

OREGON—WASHINGTON.—Excess rainfall continued to accumulate during the early part of May in farmland areas west of the Cascade range, in Oregon and Washington. Farm work was retarded, and though weather conditions became somewhat more conducive to outside work near mid-May, it was reported canning pea planting was only about 25 per cent completed in some areas on May 15. Determined efforts were being made to get the acreage planted without further delay. In the dry land area of Walla Walla and northeast Oregon, soil moisture, though still deficient, is not yet serious. Warmer weather and timely rainfall would be beneficial, especially to early plantings which have germinated well. Later plantings on higher elevations are going into fields under better conditions. Snap beans and sweet corn for canning are being planted in Oregon about ten days late but under favorable conditions.

Congress Summary

Preceded by a Presidential message, the long-awaited administration proposal for the control of hours, wages, and child labor in industry was introduced in Congress on May 24th, and hearings were arranged. An analysis of the bills will be found elsewhere in the LETTER.

Although the Senate Agricultural Committee's amendment to the Jones bill, which would have removed the canning crops exemption from the marketing agreement and order sections of the Agricultural Adjustment Act, was defeated (see the LETTER dated May 24th), the possibility of the passage of a separate bill for that purpose remains. Two such bills were introduced on May 26th by Senators McAdoo and Johnson of California and referred to the Senate Committee on Agriculture, which now has three proposals before it, since the status of the Bone bill, which was the basis of the Committee's recommendation for repeal of the exemption contained in the report of the Jones bill, was not affected by the Senate disagreement to the amendment.

The chief activity of the House during the week was debate on the bill making appropriations for relief.

Action on food and drug legislation by a subcommittee of the House Committee on Interstate and Foreign Commerce has again been deferred. The subcommittee is waiting for the full Committee to report the Lea bill to amend the Federal Trade Commission Act. The full Committee had planned to report the Lea bill on Tuesday, but a letter from the President in reference to another of Chairman Lea's bills changed the Committee's course of action.

The House Labor Committee closed the hearings on the Ellenbogen bill on Wednesday. The Ellenbogen bill would enact Federal control over hours and wages in the textile industry. Labor Secretary Perkins, one of the last witnesses to testify before the Committee, opposed the use of wage differentials between various sections of the country.

CONTENTS